

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re:	:	Chapter 9
CITY OF CHESTER, PENNSYLVANIA,	:	Case No. 22-13032
Debtor.	:	
	:	

**STATEMENT OF QUALIFICATIONS PURSUANT TO
SECTION 109(c) OF THE BANKRUPTCY CODE**

The City of Chester (the “City” or the “Chester”) hereby certifies its qualifications to be a debtor under Section 109(c) of title 11 of the United States Code (the “Bankruptcy Code”). This Statement of Qualifications Pursuant to Section 109(c) of the Bankruptcy Code (the “Statement”) is supported by the *Memorandum in Support of Statement of Qualifications Pursuant to Section 109(c) of the Bankruptcy Code* (the “Memorandum”) filed contemporaneously herewith, and the accompanying declarations of Michael Doweary and Vijay Kapoor in support of this Statement, each of which are incorporated herein by reference. The City hereby certifies as follows:

1. The City is a municipality as such term is defined in Section 101(40) of the Bankruptcy Code. *See* Memorandum at § II.A.
2. The City is specifically authorized in its capacity as a municipality and by name to be a debtor under chapter 9 of the Bankruptcy Code in accordance with the laws of the Commonwealth of Pennsylvania. *See* Memorandum at § II.B. On January 14, 2022, Michael Doweary, the duly appointed Receiver for the City (the “Receiver”) under the Municipalities Financial Recovery Act, Act of 1987, P.L. 246, No. 47, 53 P.S. § 11701 (“Act 47”) made a written request (the “Request”) to the Secretary of the Department of Community & Economic Development of the Commonwealth of Pennsylvania for authorization to file a municipal debt adjustment action on behalf of the City under chapter 9 of the Bankruptcy Code pursuant to Section

706(a)(9) of Act 47. *See* Memorandum at ¶ 24. A true and correct copy of the Request is attached hereto as Exhibit A. The Request identified the City's obligations to retirees, specifically the condition of the City's pension plans and the additional obligation to provide post-retirement medical coverage as "condition[s] substantially affecting the municipality's financial distress" that are "potentially solvable only by utilizing a remedy exclusively available to the municipality through Chapter 9." 53 P.S. § 11701.261(a)(3). *See* Memorandum at ¶ 24. On February 8, 2022, Dennis M. Davin the Secretary of the Pennsylvania Department of Community and Economic Development (the "DCED") provided the Receiver with written authorization to file a municipal debt adjustment action on behalf of the City under the Bankruptcy Code and Act 47 (the "Bankruptcy Authorization"). A true and correct copy of the Bankruptcy Authorization is attached hereto as Exhibit B.

3. The City is insolvent within the meaning of Section 101(32)(C) of the Bankruptcy Code. *See* Memorandum at § II.C.

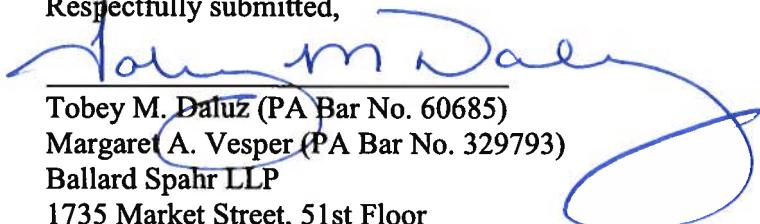
4. The City desires to effect a plan to adjust its debts. *See* Memorandum at § II.D.

5. The City (a) has negotiated in good faith with creditors and has failed to obtain the agreement of creditors holding at least a majority in amount of the claims of each class that the City intends to impair under a plan of adjustment in this chapter 9 case, and (b) is unable to negotiate (or further negotiate) with creditors because such negotiation is impracticable. *See* Memorandum at § II.E.

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November 10, 2022

Respectfully submitted,



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(**Pro hac vice* application to be submitted)

Attorneys for the City of Chester

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**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF
OF THE CITY OF CHESTER, PENNSYLVANIA**

I, Michael Doweary, the Receiver for the City of Chester, Pennsylvania, am an authorized officer or agent of the municipality named as the debtor in this case. I declare under penalty of perjury that I have read the foregoing *Statement of Qualifications Pursuant to Section 109(c) of the Bankruptcy Code*, and that it is true and correct to the best of my information and belief

Dated: November 10, 2022



Michael Doweary